

BUSINESS & LABOREXHIBIT NO. 3
DATE 1-20-09
BILL NO. SB 207

Please vote NO on SB 207.

I am the General Manager of Copart Auto Auctions yard 106 in Helena MT. Our primary business is selling salvage vehicles for insurance companies. We employ 5 full time employees and one part time employee. We work with a dozen different vehicle towers/haulers in the western half of Montana. Copart paid these haulers over \$450,000 in FY2008 for delivering cars to us. Our facility uses local janitorial and maintenance services as well. As you can see, we make a significant contribution to the local economy. Furthermore, as long as there are people driving cars, people will wreck cars, so our business is virtually recession proof and therefore a stable presence in Montana.

However, your proposal for a bid card system and \$500 annual buyer fees comes at a terrible time for the economy. Profits are down, credit is hard to come by, and transportation costs have been on a roller coaster due to fuel prices. At a time when government from the newly elected President down to local grass roots efforts are calling for simplification of government with fair and equal access, legislation that complicates and restricts the flow of business seems counterintuitive.

Over 60% of our buyers are already Montana buyers and are already required to have dealer licenses. The proposed bid cards and fees only hinder free enterprise. They create an additional layer of cost and bureaucracy to an already heavily regulated trade. Many smaller auto dealerships would stop buying salvage vehicles, as they cannot justify the added expense and paperwork of another license.

The results of SB 207 will severely reduce the number of buyers for our salvage vehicles. Fewer buyers means lower bids and reduced profits for our company and less money going back to our sellers. Passing SB 207 will certainly cause Copart to re-evaluate doing business in Montana. If Copart were to cease operations in Montana, it would cause loss of ten Copart jobs totaling nearly \$300,000 in tax-paying salaries and create a ripple effect through all the vendors our company uses.

In summary, SB 207 would be a significant hindrance to the processes of free enterprise and fair trade in this state, and the ripple effect of implications will certainly cost each of us. Please vote NO on SB 207.

Thank you for your time and consideration.
Paul Morgan
General Manager, Copart 106 – Helena
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